

PO Box 854, Litchfield, CT 06759 Fax 860-496-1830 Tel 869-567-3591

## Oral Testimony before the Insurance and Real Estate Committee

On March 17, 2022

In Support of

### **SB 357, AN ACT CONCERNING HIGH DEDUCTIBLE HEALTH PLANS**

Good day Co-Chairs Lesser and Wood, Vice-Chairs Anwar and Comey, and members of the Insurance and Real Estate Committee. I am Scott Walter, MD a board certified ophthalmologists specializing in retina who practices in Hartford, CT. I am a Board member of the CT Society of Eye Physicians and am testifying on behalf of the physicians and physicians-in-training in the Connecticut Society of Eye Physicians, Connecticut ENT Society, Connecticut Urology Society and Connecticut Dermatology and Dermatologic Surgery Society. I appreciate the opportunity to provide testimony supporting SB 357, AAC HIGH DEDUCTIBLE HEALTH PLANS.

I'd like to share a story from my own practice that illustrates the negative impact of high deductible plans on patient care.

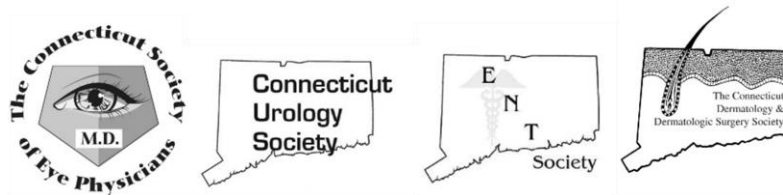
I recently met a 51 year old man named John who was experiencing sudden loss of vision in his left eye. He described a curtain coming down and blocking the top half of his vision. His central vision was severely affected (reduced to "counting fingers" from his baseline of 20/20). I gave him the unfortunate news that his retina was more than halfway detached. With urgent surgery, most of his vision could likely be restored. But without urgent surgical intervention, he would continue to lose most or all of his vision in that eye. We signed him up for surgery within 24 hours, as is the standard of care.

Unfortunately, John never made it to surgery because of his high deductible. John has Connecticare insurance with a \$4250 deductible and 30% coinsurance.

Immediately after leaving my office, he went to an urgent care clinic to get his pre-op physical. When they informed him that he hadn't met his deductible, and they would need to collect \$200 up front, he left the office without being seen. He subsequently missed his emergency surgery the next day. When we contacted him to reschedule, my surgical coordinator and financial counselor spent hours on the phone with John trying to work out a plan for his urgent surgery. Tragically, he has now missed 3 scheduled surgery dates. What should have happened within 24-48 hours has now dragged on for over a month.

John works in construction and he is not eligible for Care Credit or Medicaid. He tells us that he can only afford to pay \$100 a month. At that rate, it will take him 3 and a half years to pay off his \$4250 deductible (not to mention the additional 30% coinsurance). The reality is: John's surgery simply needs to be done; and we, the surgery center and myself, will probably never collect the money we are owed for it.

Despite the fact that John is "insured", his high deductible presented an insurmountable barrier to receiving timely and appropriate care. As a result of the delay, John will never be able to see as well as he could have



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seen if it weren't for his high deductible. Not only did his insurance situation cause him permanent and irreparable harm, it also consumed countless hours of "unreimbursed" staff time spent in care coordination; and the constant rescheduling of his surgery "took away" surgical time that could have been given to other patients with similar sight-threatening conditions.

If we think back to pre-pandemic times – I admit it seems like a long time ago - 52.9% of American workers covered by health insurance plan provided by their employer were enrolled in high-deductible health plans, up substantially from 39.4% in 2015. Today, with the costs of health care rising and the highest inflation in decades, many Americans will choose – or be forced to choose – a high deductible plan. This is bad news for patients, hospitals, providers, and the health care system overall.

More cost comparisons, more questioning, and more suspicion

Health care costs have always been problematic for patients. Most patient like their own doctor but feel that the health care system overall is taking advantage of patients in their time of need. It is likely that High-deductible plans will only increase the scrutiny and patient apprehensions. It will also affect health care choices. Many patients will be forced to do "cost comparison shopping" for health care. Recent surveys by Becker's found 47 percent of patients with high-deductible plans choose less expensive medications. This comparison shopping takes time, effort and can lead to considerable confusion and fear, not to mention potentially inferior treatment of the underlying condition.

Delay of care and higher utilization of emergency care

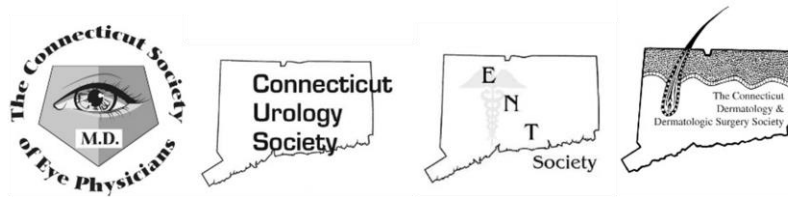
High deductible plans often emphasize preventive care, but too often care is delayed since the patient does not have the means to pay his/her deductible. When care is delayed for any reason, patients with serious conditions risk more expensive treatment and worse outcomes. When symptoms advance because of delayed care, many may be forced into seeking care at an Emergency Department – a very expensive and sub-optimal portal to care. When someone desperate for care enters via this portal, hospitals, often find that the expenses are higher, and payments are harder to collect.

Walk-in urgent care centers may seem like a possible alternative, but continuity of care – an important element of high-quality care – may be more difficult.

Patient satisfaction suffers

What the average patient wants is state-of-the art care, provided without delay, by a competent and caring physician, with the majority of the bill for service to be paid by another party. Sadly, all these wishes are harder to obtain with high deductible plans, and patient satisfaction suffers. Studies show that patient satisfaction is tied to cost containment and improved health care outcomes. High deductible policies seem to make both goals more difficult to obtain.

Mountains of debt



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Neither the provider nor the hospitals can afford the increased debt associated with the growing use of high deductible insurance plans. These plans are extremely unpopular given the wreckage they leave in their wake. And for providers, their office staffs are recruited to serve as bill collectors, causing irreparable damage to the doctor-patient relationship and increased office expenses.

Please remember that all this is happening as we struggle to keep health care accessible and safe as we are forced to re-invent it on the fly particularly in these pandemic times.

We ask that you support this bill that will place some reasonable limits for these High Deductible plans. Many plans value cost containment over quality of care and access. Please do consider who is benefitting from these plans – patients, insurance company CEO's, or their shareholders? The providers of medical care for these patients definitely receive no benefit from the rules and stipulations which actually degrade the patient-physician relationship.

Thank you for your time, attention and consideration in supporting this important piece of legislation.